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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 02/22/08

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Prime Minister's schedule, February 21

NIKKEI (Page 2) (Full)
February 22, 2008

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07:55

Met Deputy Chief Cabinet Secretary Ono at the Kantei.

08:31

Met Deputy Chief Cabinet Secretary Futahashi, joined by Assistant Deputy Chief Cabinet Secretaries Saka and Ando.

09:00

Attended a Lower House Budget Committee session.

12:32

Attended a Lower House plenary session.

14:00

Attended the Lower House Budget Committee session.

18:23

Met Chinese State Councilor Tang Jiaxuan at the Kantei.

19:44

Returned to his official residence.

- 4) MSDF resumes refueling mission in Indian Ocean

ASAHI (Page 1) (Abridged)
February 22, 2008

Keiichi Kaneko, Northern Arabian Sea, Indian Ocean

The Maritime Self-Defense Force resumed its refueling support for naval vessels from multinational forces in the Indian Ocean yesterday afternoon (yesterday evening, Japan time) after a hiatus of about four months. Resuming the MSDF's refueling mission topped the agenda of Prime Minister Fukuda, who came into office in September last year. The ruling coalition of the Liberal Democratic Party and New Komeito enacted a special measures law for refueling support in a second vote of the House of Representatives with a majority of two-thirds. Under the new special measures law, the government has managed to resume the MSDF's refueling activities in the Indian Ocean. However, the law is valid for one year only. In the protracted war on terror, the Diet is to focus its debate on whether to create a permanent law allowing Japan to send the Self-Defense Forces overseas whenever necessary.

At around twelve noon, Feb. 21, the MSDF supply ship Oumi, escorted by the MSDF destroyer Murasame, provided a total of 160 kiloliters to a Pakistani frigate.

Chief Cabinet Secretary Machimura, meeting the press yesterday, underscored the importance of ensuring sealane security, given the recent high price of crude oil. "The Indian Ocean is a peaceful sea," Machimura said. "That is important," he added, "and I feel that Japan has now resumed the operation in its national

interests."

However, the MSDF resumed its refueling mission shortly after the collision of an MSDF Aegis destroyer with a fishing boat and amid growing criticism and distrust of the SDF and the Defense Ministry.

5) USFJ to report off-base military population

ASAHI (Page 38) (Abridged)

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February 22, 2008

In the wake of an Okinawa-based U.S. Marine's rape of a junior high school girl, the Japanese government and U.S. Forces Japan are studying measures to prevent similar incidents. According to an outline of these preventive measures, USFJ will inform the Japanese government about its standards to be cleared for allowing U.S. servicemen to live outside their bases. USFJ will also report the number of U.S. military personnel living outside their bases. In addition, USFJ will review its educational programs for U.S. military personnel, including steps to prevent sex crimes. An interim report is expected to be out today. Based on Okinawa's request, the government and USFJ will finalize their action plan that factors in effectiveness and other perspectives.

The Japanese government wants local police and U.S. military authorities to carry out joint patrol in off-base areas. However, Okinawa prefectural police have raised a question. "We wonder if we can hold suspects," a local police official says. USFJ is therefore considering joint patrol without its military police (MP) authorities who are empowered to detain suspects. Japan and the United States will continue their coordination. Security cameras will also be installed in downtown and other areas with local consent.

The Japan-U.S. Status of Forces Agreement (SOFA), which stipulates legal status for USFJ personnel, exempts U.S. military personnel, civilian employees, and families from foreign registration, unlike the case of foreign nationals residing in Japan. This SOFA provision has prevented local governments to grasp the accurate number of U.S. military personnel living outside their bases.

Defense Minister Ishiba met with USFJ Commander Wright yesterday and called for USFJ to clarify its off-base living standards, such as age and rank factors. Wright explained that USFJ has closely examined young servicemen in particular when allowing their off-base living. He vowed to review that procedure.

USFJ will also review and verify its existing sexual assault prevention and other educational programs in order to protect Japanese minors from U.S. military personnel's sexual violence.

6) Government plans to discuss improved operation of SOFA with U.S. to grasp situation of U.S. service members living off base

MAINICHI (Page 3) (Abridged slightly)
February 22, 2008

The government decided yesterday to hold talks with the United States to improve the operation of the Japan-U.S. Status of Forces Agreement so that it can grasp the situation of U.S. service members living off base as part of comprehensive measures to prevent a recurrence of the alleged rape of a junior high school girl in Okinawa (on February 10). The government plans to have the Japan-U.S. Joint Committee and other venues discuss the number of U.S. service members living off base and the reporting systems in the areas where they live.

U.S. Forces Japan has imposed a "lockdown" to completely prohibit U.S. service members from leaving the base, starting on February 20. A senior Foreign Ministry official said: "It will not last forever. It is not a permanent preventive measure." Given the fact that the

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U.S. serviceman who allegedly sexually assaulted the girl on Feb. 10 lives off base, the government has recognized the need to take fundamental measures regarding U.S. service members living off base.

Democratic Party of Japan Secretary General Yukio Hatoyama and others asked Foreign Minister Masahiko Koumura yesterday to revise the SOFA. In response, Koumura underlined the government's positive stance toward improving the operation of the SOFA. In Diet replies in the past, the foreign minister has said regarding grasping the situation of off-base U.S. service members: "We will fully discuss the matter at Japan-U.S. Joint Committee meetings."

Under SOFA Article 9-2, U.S. service members and civilian employees are not subject to immigration control and the alien registration system. For this reason, U.S. military personnel are not required to register their residency.

7) Uncertainty looming over permanent legislation for MSDF refueling mission, affected by Aegis collision with fishing boat

YOMIURI (Page 2) (Full)
February 22, 2008

The Maritime Self-Defense Force (MSDF) resumed its refueling mission in the Indian Ocean on Feb. 21. This means that Japan has rejoined the international community's war against terrorism, but the resumption of the mission came just after the collision between an MSDF Aegis-equipped destroyer and fishing boat. Members of the government and the ruling parties are having a headache, with one saying: "It is bad timing."

The government and the ruling camp are worried about the impact of the collision on prospects for continuing the MSDF mission beyond next January, when the new antiterrorism law, which is the basis of the mission, is to expire.

To have the MSDF continue its mission beyond next January, the Liberal Democratic Party has already studied conditions for dispatching Self-Defense Force (SDF) troops overseas to be set in a permanent bill. A project team of the ruling camp will also be launched shortly. Even so, views are split in the camp over what to do about easing weapons-use standards and the need for a resolution of the United Nations Security Council. A senior Foreign Ministry official said: "Since permanent legislation involves the interpretation of the Constitution, it will take time. It may be difficult to enact the bill in the current Diet session."

At such a time, the collision occurred. In a meeting of the LDP National Defense Department yesterday, one participant said: "Restoring public confidence (in the Defense Ministry) is necessary for discussion on a permanent bill. We cannot conduct discussions under the current situation." The government is in a great quandary.

8) Defense Ministry official arrested over bribery

ASAHI (Page 38) (Full)
February 22, 2008

Hokkaido police yesterday arrested a Defense Ministry official and a construction contractor on bribery charges over a facility

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construction project for the Ground Self-Defense Force. The arrested official is Makoto Sogabe, 55, currently a technician serving in the Defense Ministry's Okinawa Defense Bureau, and the other arrested person is Yasuo Yamanaka, 43, who runs a construction company in the Hokkaido town of Bihoro. Yamanaka once headed a local junior chamber. The two are suspected of having given and taken money in cash without using a bank account so as not to leave any evidence, the police said.

According to investigations, Sogabe accepted the bribe from Yamanaka in selective bidding in March 2006 for the construction of a storage

facility at the GSDF's Engaru garrison in the Hokkaido town of Engaru. At that time, Sogabe was an assistant director of the civil engineering division of the now-defunct Defense Facilities Administration Agency's Obihiro branch office, which is currently the Defense Ministry's Obihiro branch office, and he was responsible for placing work orders and estimating construction costs. Sogabe is alleged to have leaked the estimate price and accepted about 2 million yen in exchange for that information.

9) Defense Minister Ishiba apologizes to family members of missing fishermen in Katsuura

MAINICHI (Page 1) (Full)
February 22, 2008

Defense Minister Shigeru Ishiba yesterday visited Katsuura City, Chiba Prefecture, for the first time since the collision occurred (between the Self-Defense Force Aegis-equipped destroyer Atago and a small fishing boat). Ishiba offered his apologies to the family members of Haruo Kichisei and his son, Tetsuhiro, who are still missing. He told them: "I truly apologize for the collision that should not have occurred."

Asked by reporters about the opposition camp's demand for his resignation as defense minister, Ishiba expressed his intention not to accept the demand, saying:

"I take seriously the feelings of the family members that they want me to thoroughly investigate the cause of the accident and come up with measures to prevent a recurrence, and that they don't want to see the accident be used as a tool for a political fight."

Asked about criticism of his ministry's announcement, Ishiba responded:

"We received information that included different times when the MSDF first spotted the fishing boat. We are trying to disclose information immediate after we receive it. It is not appropriate to release information that is taken as wrong. So, we will be careful about dispatching information."

10) Fukuda expresses intention to reject call for defense minister's resignation

YOMIURI (Page 2) (Full)
February 22, 2008

Prime Minister Fukuda emphasized last night that he would not make Defense Minister Ishiba resign for the time being in response to the opposition camp's demand for his resignation over the collision between an Aegis-equipped destroyer and a fishing vessel. Fukuda

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said:

"We should not think about such a thing right now. It is not proper to refer to it when the investigation is underway. It is necessary that the defense minister properly handles the issue."

11) Calls for defense minister's resignation growing; Severe views in ruling parties as well

ASAHI (Page 2) (Excerpts)
February 22, 2008

"I want all persons in responsible positions to take responsibility. The prime minister said, 'Politics needs to turn its eyes toward the people.' Where were you looking in carrying out politics?"

With these words, Mayor Teruo Fujihira of Katsuura, Chiba Prefecture, expressed his frustration with the government in a meeting with Democratic Party of Japan (DPJ) shadow cabinet defense minister Keiichiro Asao and others, who were visiting the city yesterday afternoon.

The DPJ has raised questions about the change in the Defense

Ministry's initial claim that (the Aegis destroyer Atago) spotted a light two minutes before the collision to a new statement that it was 12 minutes before the collision. Secretary General Yukio Hatoyama yesterday demanded Defense Minister Ishiba's resignation, telling the press, "The ministry's nature of covering up matters has not changed at all." Hatoyama also indicated that in the event Ishiba does not respond to the call, the party would consider submitting a censure motion against him to the House of Councillors. All opposition parties, including the Japanese Communist Party and the Social Democratic Party, are lined up with each other in demanding Ishiba's dismissal or resignation.

The government is utterly on the defensive against the opposition camp's strong offensive. Aware of growing calls for Ishiba's resignation, Prime Minister Fukuda last night defended the defense chief by telling the press: "The situation does not allow us to think about such a matter. Investigations of the cause and rescue operations are underway. It is necessary for Defense Minister Ishiba to take firm control of them."

Ishiba visited Katsuura yesterday to offer apologies to the family of the missing fishing boat captain and others. He also held a press conference in the city in which he stressed that he has no intention of resigning, saying: "Family members told me to find out the cause and take thorough preventive measures. They also indicated that they do not want to see the matter politicized. As a politician, I want to fulfill my responsibility and respond to their requests."

The government defends Ishiba partly because MOD reform that started following a series of scandals is still only halfway through. The government also holds high regards for Ishiba, who tactfully fended off the opposition camp in Diet deliberations on refueling support legislation to resume the refueling operation in the Indian Ocean. In addition, there seems to be no one other than Ishiba who can handle Diet deliberations that are likely to be difficult.

Further, there is the traumatic experience of the previous administration, which was forced into its own resignation as a result of loss of impetus following a string of resignations of

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individual cabinet ministers.

Even though the prime minister keeps defending Ishiba, if a censure motion is submitted to the opposition-controlled Upper House, it is certain to be adopted. If the question of his resignation drags on, it might seriously affect the battle between the ruling and opposition camps in late March over such issues as the road-related provisional tax rates and the pension name-identification work.

12) Defense minister rejects idea of taking responsibility for Aegis collision; Ruling camp concerned about effect on Diet deliberations

YOMIURI (Page 2) (Full)
February 22, 2008

A tug of war is continuing between the ruling and opposition camps over the issue of whether Defense Minister Ishiba should resign to take responsibility for the collision of an Aegis destroyer with a fishing boat. The opposition bloc has indicated it will submit a censure motion calling for his resignation in the House of Councillors, while the government and the ruling camp have emphasized the need to give priority to searching for the two missing fishermen and shedding light on the cause of the accident in an attempt to hold in check the opposition bloc's demand for Ishiba's resignation.

The defense minister offered an apology yesterday to family members of the two missing fishermen and fishery workers in Katsuura City, Chiba Prefecture. Ishiba then expressed his determination to continue to fulfill his duties as defense minister.

Speaking before reporters in Katsuura, Ishiba indicated that he would not resign from his post, remarking: "I was told to do my best to find out the cause of the accident and to take preventive measures. One family member said that the accident should not be

made a political issue. I have seriously responded to the feelings of the family." But Katsuura Mayor Teruo Fujihira yesterday said to visiting Keiichiro Asao, the defense minister in the Democratic Party of Japan's (DPJ) shadow cabinet: "I want all officials in a responsible position to resign to take responsibility when the cause of the accident is clarified."

DPJ Secretary General Hatoyama and People's New Party Secretary General Hisaoki Kamei met Chief Cabinet Secretary Machimura at the Prime Minister's Office yesterday and insisted that the defense minister should resign, saying: "The defense minister bears grave responsibility." Later, Hatoyama announced that the party would study the possibility of submitting a censure motion in the Upper House. The Japanese Communist Party and the Social Democratic Party have also decided to take a joint step with the DPJ in calling on the defense minister to be dismissed or resign.

In response, the government and the ruling parties are ready to reject the opposition's demand for Ishiba's resignation.

The government is concerned that the issue of Ishiba's resignation may affect Diet deliberations on the FY2008 budget bill. It also fears that the issue might develop into an issue of the prime minister's responsibility for appointing Ishiba as defense minister. But one Liberal Democratic Party member, focusing on the fact that the Defense Ministry has repeatedly changed its explanation of the accident, said: "We may never know what will happen if the ministry

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changes its explanation again and if public criticism mounts."

13) Prime minister meets Chinese State Councilor Tang; Both confirm cooperation for resolving tainted dumpling issue

TOKYO SHIMBUN (Page 2) (Full)
February 22, 2008

Prime Minister Yasuo Fukuda yesterday met with visiting State Councilor Tang Jiaxuan (former foreign minister) at the Prime Minister's residence (Kantei). They confirmed that Japan and China would cooperate to find out the truth about the poisoning of Chinese-made gyoza dumplings. Tang proposed, "I would like to set up a mid-to long-term cooperative mechanism responsible for supervising food safety."

Fukuda stated, "Food safety is a matter of grave concern for both countries." Tang expressed his sympathy for the poisoning victims. Concerning the poisoning problem, he underscored, "We must not let this incident affect Japan-China relations as a whole. The Chinese government will tackle the food safety issue in a responsible manner."

Referring to President Hu Jintao's visit to Japan slated for April, Tang noted, "It is important for both countries to proactively cooperate in preparing for his visit to Japan." Fukuda replied, "I would like to cooperate in broad areas." They also confirmed that the two countries would cooperate for an early settlement of the issue of the development of gas fields in the East China Sea.

Following the meeting with Fukuda, Tang met with Foreign Minister Masahiko Koumura at the Foreign Ministry's Iikura Guest House. He during the meeting expressed concern about Taiwan carrying out in March a referendum on the propriety of its returning to the UN. Koumura responded, "I cannot support an attempt to unilaterally change the present situation."

14) Preparations for President Hu's visit to Japan get under way: Settling food safety issue of urgent concern

TOKYO SHIMBUN (Page 2) (Full)
February 22, 2008

Visiting Chinese State Councilor Tang Jiaxuan has begun to prepare the way for President Hu's visit to Japan in April by successively meeting with Prime Minister Fukuda and Foreign Minister Masahiko Koumura yesterday. What concerns the two countries is the food

safety issue, including the recent case of tainted gyoza dumplings from China. Reflecting the fact that the public is highly sensitive to this issue, both officials underscored their determination to shed light on the matter.

During the talks with Fukuda and Koumura, Tang stressed his resolve to work out the dumpling problem, noting, "China attaches high importance to this incident. I would like to explain what happened to the peoples of both countries." Koumura responded, "I would like to step up cooperation and assistance for an early and thorough explanation of the facts about the incident."

Japan and China are aiming at building a mutual-beneficial strategic relationship. Preparations for President Hu's visit to Japan will move into full swing with Foreign Minister Yang Jiechi's visit to

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Japan slated for late March. However, the gyoza dumpling poisoning incident could cast a pall over both countries' drive to establish such ties if it is left unattended. For this reason, Japan wants to settle the issue before the summit, by brining up the issue at a bilateral strategic dialogue between Foreign Minister Mitoji Yabunaka and his Chinese counterpart Wang Yi to be held in Beijing on the 22nd-23rd.

Japan is concerned that mounting popular distrust about foods imported from China could mar the plan to improve bilateral relations. A senior Foreign Ministry official noted that China, too, does not want to see this problem drag on.

During the meetings yesterday, both countries confirmed their intention to cooperate in finding out the truth about the poisonings. Tang proposed setting up a mid-to long-term framework for securing food safety. The Japanese side will hear the specifics of the proposed framework from China and consider how best it can offer cooperation.

The police authorities of both countries yesterday held a meeting to exchange information. However, how pesticides have gotten mixed in gyoza packages still remains unclear. Pesticides were also found in packages of frozen food manufactured by another company. There are many difficult issues to clear before the distrust of Chinese food imports in Japan can be wiped away

15) North Korea's nuclear report to be completed next month, Assistant Secretary Hill predicts in Tokyo

TOKYO SHIMBUN (Page 2) (Full)
February 22, 2008

Visiting Assistant Secretary of State Hill yesterday met with a nonpartisan group of lawmakers in Tokyo for an exchange of views on North Korea's nuclear problem and other issues. According to former Liberal Democratic Party (LDP) Vice President Taku Yamasaki, Hill indicated prospects that North Korea before the end of March will finish giving a complete and accurate report of all nuclear activities, something it had agreed to do at the Six-Party Talks last year.

Hill also reportedly indicated that in order to bring about progress on the issue of the abduction of Japanese nationals, (Japan) should call on North Korea to reinvestigate the matter.

16) ROK President-elect Lee seeks to allow foreign residents in Japan local election voting rights in meeting with DPJ President Ozawa

MAINICHI (Page 5) (Excerpts)
February 22, 2008

So Watanabe, Seoul

Major opposition Democratic Party of Japan (DPJ) President Ichiro Ozawa, now visiting South Korea, yesterday met with President-elect Lee Myung Bak. In the session, Lee spoke of the issue of local election voting rights, which have not yet been given to foreign

residents in Japan, and asked for Ozawa's cooperation to allow foreign residents such rights, telling him, "I have been asked by South Koreans residing in Japan (to work on Japan) to allow them

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local voting rights." Ozawa indicated he will work hard on the issue, telling Lee: "It is regrettable that while South Korea has already allowed such rights, Japan still remains slow to do so. I will do all I can so that such rights will be given to (foreign residents in Japan)."

The session took place at the president-elect's office in Seoul. It lasted for 45 minutes. Ozawa was the first DPJ leader to meet in South Korea with a top-level South Korean leader since Naoto Kan met with Roh Moo Hyun in February 2003, just before Roh assumed the post of president.

On the North Korean nuclear issue, Lee played up his position by noting, "It may take time, but there is every hope that the issue will be resolved by efforts of both Japan and South Korea." He added, "In East Asia, South Korea-Japan relations are extremely important. We must enhance cooperation." In response, Ozawa noted: "In order not to throw the world into confusion, we must work on China to democratize."

17) Ozawa plays up "summit" diplomacy by visiting ROK

MAINICHI (Page 5) (Excerpts)
February 22, 2008

So Watanabe, Seoul

Ichiro Ozawa, president of the major opposition Democratic Party of Japan (DPJ), yesterday met with president-elect Lee Myung Bak of South Korea ahead of Prime Minister Yasuo Fukuda, following his visit to China in last December. With a dissolution of the Lower House for a snap election unlikely to occur so soon, Ozawa is now desperate to play up through "summit" diplomacy his party's presence as a party capable of taking the reins of government, as he is losing ground in the party.

When it comes to visiting other countries, Ozawa has regarded the prime minister as his rival since the Upper House election. In this sense, his visit to South Korea this time was no exception. He dwelled on the idea of visiting South Korea ahead of the prime minister. When South Korea asked Ozawa to attend the president's inauguration on Feb. 25, Ozawa preferred to visit South Korea beforehand, considering that he would be overshadowed by Fukuda if he did so, because Fukuda plans to have a summit with the president on the sidelines of the inauguration. So, Ozawa decided to send Deputy President Naoto Kan to the ceremony on his behalf in order to get one step ahead of Fukuda in terms of meeting with Lee.

18) No headway in intensive deliberation on road-related tax bills at Lower House Budget Committee

NIKKEI (Page 2) (Full)
February 22, 2008

The House of Representatives Budget Committee held yesterday an intensive deliberation on whether the provisional tax for road construction should be retained, with the presence of Prime Minister Yasuo Fukuda and other cabinet ministers. The main opposition Democratic Party of Japan (DPJ or Minshuto) demanded a one-year freeze of the government's midterm plan to spend 59 trillion yen for road construction and repair over next ten years since fiscal 2008. Fukuda, however, rejected the demand. So the discussion did not go

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anywhere.

The Ministry of Land, Infrastructure, and Transport drafted last November a midterm plan, which stipulated that 65 trillion yen would be needed for road construction and repair, but the government and

ruling parties slashed it to 59 trillion yen in their discussion at the end of last year. The DPJ has pursued the 59-trillion midterm plan, citing that a traffic demand estimate used for drafting the midterm plan is out of date. The reason for the DPJ's demand for one-year freeze is that new data will come out as early as this fall. Sumio Mabuchi of the DPJ asserted: "A new plan should be drawn up." Fukuda, however, responded: "I would like to make efforts to draw up a better plan."

Land, Infrastructure, and Transport Minister Tetsuzo Fuyushiba explained the breakdown of project expenditures to be reduced: 1) 3 trillion yen by cutting costs; 2) 2 trillion yen by a collaboration of road construction and other projects such as road repair projects and town development; and 3) 1 trillion yen by using existing expressways by lowering toll charges. DPJ Vice President Katsuya Okada continued a question: "Was it easy to reduce the costs by 3 trillion yen? It's a sloppy plan."

Fukuda was desperate to build a defense arm, replying: "We will come up with a better plan through debate on the compilation of a state budget." DPJ Deputy President Naoto Kan urged Fukuda to integrate the special account of road-related taxes into the general account and to abolish the provisional tax rates. Fukuda, however, urged the DPJ to present its own counterproposals toward the government's bills.

SCHIEFFER